

VZCZCXRO8296
OO RUEHCN RUEHGH
DE RUEHIN #0317/01 0671113
ZNY CCCCC ZZH
O 071113Z MAR 08
FM AIT TAIPEI
TO RUEHC/SECSTATE WASHDC IMMEDIATE 8290
INFO RUEHBJ/AMEMBASSY BEIJING 7899
RUEHUL/AMEMBASSY SEOUL 9380
RUEHKO/AMEMBASSY TOKYO 9636
RUEHCN/AMCONSUL CHENGDU 2432
RUEHGZ/AMCONSUL GUANGZHOU 0982
RUEHHK/AMCONSUL HONG KONG 9156
RUEHGH/AMCONSUL SHANGHAI 1798
RUEHSH/AMCONSUL SHENYANG 6402
RUEAIIA/CIA WASHDC
RHEFDIA/DIA WASHINGTON DC
RHHJJAA/JICPAC HONOLULU HI
RUEKJCS/SECDEF WASHINGTON DC
RHHMUNA/USPACOM HONOLULU HI

C O N F I D E N T I A L SECTION 01 OF 03 TAIPEI 000317

SIPDIS

SIPDIS

E.O. 12958: DECL: 3/04/2023

TAGS: [PGOV](#) [TW](#)

SUBJECT: TAIWAN PRESIDENTIAL ELECTION COUNTDOWN: TWO WEEKS
TO GO

REF: TAIPEI 00280

Classified By: AIT Director Stephen M. Young, Reason 1.4 (b/d)

11. (C) Summary: Two weeks before the March 22 presidential election, KMT presidential candidate Ma Ying-jeou continues to hold a wide lead over DPP candidate Frank Hsieh, according to most polls. While a number of AIT's contacts predict the race will tighten in the final days, almost all are expecting Ma to win in the end, because voters are disappointed with the DPP government's poor economic performance and corruption. While Hsieh's attacks on Ma's character have not been very effective, our contacts say, his criticism of Ma's "one China" cross-Straits economic policy is gaining some traction in the south. Political posturing on the UN referenda continues, though the possibility of a last-minute compromise that would postpone or take the referenda off the ballot on March 22 appears slim. Following presidential debates this weekend, the two parties will hold their major campaign rallies next Sunday, March 16. End Summary.

Ma Ying-jeou the Frontrunner

12. (C) Two weeks before the March 22 presidential election, KMT presidential candidate Ma Ying-jeou continues to hold a wide lead over the DPP's Frank Hsieh in most polls. While some AIT contacts predict the race will tighten in the final two weeks, almost all expect that Ma will win, barring some new and unexpected major incident or development. Our most reliable pollster recently put Ma's lead at 18 points, while media polls, which are flawed, give Ma a 20-37 point lead at this stage. Some KMT and DPP officials have suggested the race is considerably closer, with Ma leading by 10 points or less, but our contacts suspect both parties may be hyping the competitiveness of the race to boost turnout by their respective supporters. Ma economic adviser P.K. Chiang told DIR March 7 that the margin is around 10 percent and that the Ma camp remains concerned that last minute surprises could hurt them. Two well-regarded experts on Taiwan's electoral politics, Professor Chu Yun-han (a Ma adviser) and Academia Sinica scholar Wu Chung-li separately predicted to AIT that Ma will win the election by a 57-43 margin.

Frank Hsieh's Challenges

¶3. (C) National Chengchi University (NCCU) Political Science Professor Liu I-chou told AIT that Ma is likely to win because the voters, unhappy with the DPP's poor economic performance and corruption, desire a change in government. The same sentiment caused the party's disastrous showing in the January legislative elections. In 2004, the DPP kept supporters in line by arguing it needed more time to show results. After 8 years of DPP rule, this argument no longer works, Liu stressed. Liu attributed the relatively cold election atmosphere to the widespread expectation that Ma will win.

¶4. (C) The DPP can no longer count on youth support, which it relied on in winning the presidential elections in 2000 and 2004, Liu noted. According to Liu's estimate, young voters favored the DPP 2-1 in the past, while the current generation of young voters favor the KMT 6-4. In addition to disenchantment with the DPP, youth are attracted by the clean, upright image of Ma, in contrast to Hsieh, who is viewed as "tricky," Liu explained.

¶5. (C) In a separate meeting, Ma adviser and Chiang Ching-kuo Foundation President Chu Yun-han told AIT that the results of the presidential election will reflect the voters' dissatisfaction with the Chen administration rather than their evaluation of what Hsieh and Ma have to offer. Chu seconded the important role that youth, worried about long-stagnating starting salaries, are playing in giving Ma the advantage. Although there is little difference between Hsieh and Ma's economic policies, Chu observed that Hsieh has not been able to disassociate himself from the perception that Chen and the DPP have mismanaged the economy.

TAIPEI 00000317 002 OF 003

Negative Campaigning Dominates...

¶6. (C) Media coverage over the past week has focused heavily on DPP attacks against Ma's character and integrity, including claims that Ma might have both U.S. and British citizenship, and accusations that he would "sell out" Taiwan's economic interests to China if elected president. Liu I-chou suggested that DPP attacks on Ma's character and integrity have not been effective as the public still sees Ma as much stronger than Hsieh in this category. Hsieh is gaining some traction with his criticism of Ma's "one-China common market" policy, however, as underground radio stations spread the message to the less well-off areas in southern Taiwan, but this may not be enough to make a difference in the election results, Liu added. For its part, the KMT has launched a negative advertising blitz, aimed at undermining Hsieh's record as Kaohsiung mayor. The most unusual ad of the week shows a "very pregnant" Ma Ying-jeou laying out his women's policies.

...and Can be Hazardous to Your Health

¶7. (C) Popular TV talkshows, always partisan, are becoming even more hysterical than normal during the campaign silly season. This media-generated frenzy is exacting a psychological toll on those who follow politics. Psychiatrists report a rise in the number of people seeking treatment for anxiety and depression-related illnesses caused by election activities. Doctors are urging emotionally unstable viewers to stay away from TV political talkshows which dominate the airwaves every evening from 9 to 11.

UN Referenda Update

¶8. (C) The CEC hosted rounds 2-4 of the debates on the DPP and KMT UN referenda on March 1, 2, and 5; the fifth and final round is scheduled for March 8. Rounds 2 and 3 each

featured two separate half-hour presentations defending the DPP and the KMT referenda, and these presentations were rather academic and dispassionate. During round 4, proponents and opponents of the two referenda took turns presenting their views, answering a series of questions fielded by an expert panel. Little new ground was broken beyond the previous debates reported in reftel.

¶9. (C) Over the past week, Central Election Commission (CEC) Chairman Chang Cheng-hsiung told the legislature that at least 20 days would be needed to prepare a defensive referendum, laying to rest any possibility of holding a defensive referendum together with the March 22 presidential election. DPP Taipei City Chairman Lee Cheng-yi told AIT that at a March 4 DPP campaign strategy meeting, Hsieh and others had brushed aside a call by some to promote the DPP UN referendum as one of the major campaign themes in the final weeks. Although Hsieh does not want to use the UN referendum as a major theme of his campaign, a possible KMT decision to call on its supporters to boycott the referendum balloting could force Hsieh to take a more proactive stance, Lee added.

¶10. (C) In a new twist on the referenda issue, President Chen and TSU Chairman Huang Kun-hui floated the idea of asking the LY to lower the participation threshold for referendum validity (now 50 percent of eligible voters) in return for postponing the two existing UN referenda until after the presidential election. The KMT did not take the bait, however, immediately urging the DPP to first postpone the referenda before the LY would consider altering the law.

¶11. (C) Over the past week pro-Blue or KMT-allied groups have made a series of statements opposing the UN referenda. Taichung Mayor Jason Hu and former Premier Tang Fei held separate press conferences on March 6 urging voters to boycott the balloting. A group of retired diplomats led by former FM Ding Mou-shih also issued a joint statement to do

TAIPEI 00000317 003 OF 003

the same. These efforts, in addition to newspaper ad campaigns by the New Party and other deep-Blue groups opposing the UN referenda, may put pressure on the KMT leadership ahead of a meeting scheduled for March 12 that will take up the issue. KMT interlocutors tell AIT the main sticking point is Ma Ying-jeou himself, who is concerned a boycott could cost him votes on March 22.

Upcoming Plans and Events

¶12. (C) DPP Taipei City Chairman Lee Cheng-yi told AIT that participants of a top-level DPP meeting he attended in Taichung on March 4 to plan election strategy agreed the major themes for the remainder of Hsieh's campaign will be: 1) attacking the KMT's "one China market," 2) challenging Ma's character, particularly, his proclivity to change his story, and 3) holding a large-scale island-wide rally on March 16 to stimulate the enthusiasm of the Green supporters.

¶13. (C) The candidates will participate in the final series of presidential debates on March 7, 9, and 14. The March 7 and 14 exchanges are venues for candidates to present policy views. The March 9 event is the second and final debate organized by five local media outlets and offers more opportunities for direct exchanges between the candidates. In previous debates Ma has done better than expected and held his own against Hsieh, who has not performed well, in the view of DPP Taipei City Chairman Lee Cheng-yi. Chu Yun-han estimates that 80 percent of voters have already made up their minds on the candidates and therefore, in his view, the remaining debates are unlikely to have much impact on voters.

¶14. (C) Candidates will campaign over the weekend and the parties will hold small-scale rallies at different locations

throughout the island. Both parties plan large-scale campaign rallies for next weekend, the final Sunday before the election, which falls on a Saturday. Both the DPP and KMT will hold large island-wide campaign activities on March 16, taking advantage of the third anniversary of China's passage of the anti-secession. The parties will use those events to energize supporters and boost enthusiasm going into the final week before election day.

YOUNG